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REPORT OF THE COMMITTEE ON
A COMPREHENSIVE PRODUCTION PLAN

OFFICE OF REPORTS AND ESTIMATES
CENTRAL INTELLIGENCE AGENCY

7 MARCH 1950

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DOCUMENT NO. 8
NO CHANGE IN CLASS. ☐
☐ DECLASSIFIED
CLASS. CHANGED TO: TS: S/C
NEXT REVIEW DATE: 1989
AUTH: HR 70-2
DATE 19 Dec 79 REVIEWER: 006514

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7 March 1950

MEMORANDUM TO: The Chairman, Estimates Production Board, ORE

FROM : The Chairman, Ad Hoc Committee on a Comprehensive Production Plan.

SUBJECT : Final Report

The Ad Hoc Committee on a Comprehensive Production Plan, appointed by EPB action of 11 January 1950, herewith submits its report in accordance with the terms of reference quoted below:

"The Committee will study and make recommendations to the EPB on a plan for the production of intelligence needed to support the policy-making bodies of the Government. This plan should be broad in scope and should take into consideration the production capabilities of all the US intelligence agencies. Such a plan will be coordinated with the IAC agencies in fulfillment of the CIA directive for coordination of intelligence planning."

Summary of Conclusions

1. The Committee agreed on the following general principles of intelligence production planning:

a. Planning intelligence production is the continuous process of deciding what intelligence to produce. It is the first phase and an inseparable phase of intelligence production. It is a process of judgment as to what substantive matters in world affairs materially affect US national security.

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b. In general terms, US security is affected by situations or trends involving the power and power-potential of power-groupings, by the intentions of the effective leaders in those power-groupings, and by the stability of that leadership. This general concept provides a basis for planning, since it indicates the substantive matters that intelligence production may treat.

c. It is also necessary in planning to show what matters intelligence production must treat because of their bearing on US security. An intelligence production plan must set forth the best judgment of intelligence producers as to what intelligence actually is needed as of any one time. In short, the end product would be a tentative schedule of intelligence to be produced.

d. An intelligence production plan of this kind, to be useful in regulating the work of ORE and related intelligence agencies, should accurately reflect the judgment of broadly competent, substantively informed intelligence producers. In the context of intelligence planning, intelligence producers must be informed not only about world affairs that may have a bearing on US security (the normal sphere of competence of intelligence producers) but also about the actual preoccupations of policy-makers responsible for US security.

2. The Committee majority, having concluded that national intelligence production planning is a process of judgment exercised continuously by intelligence producers, firmly believes that provision for adequate planning machinery must be an integral part of any worthwhile system of production planning. It considers that responsibility in ORE for the preparation and continuous revision of the production plan should be

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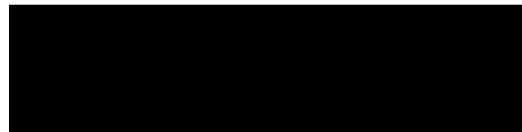
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vested in a single unit, appropriately empowered, organized, and staffed to perform the function of intelligence production planning on an ORE-wide basis as distinct from a divisional basis.

3. The four minority members of the Committee disagree substantially with parts of paragraph 2 above. An expression of the minority's opinion on these matters is contained in the "Dissent From Section IV," attached hereto as Tab B.

FOR THE CHAIRMAN:



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Member and Secretary

ATTACHMENTS:

TAB A: Report of the Committee

TAB B: Dissent From Section IV of the Report

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TAB "A"

REPORT OF THE COMMITTEE

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SECTION I

Types of National Intelligence

In order that the process of drafting an intelligence production plan may proceed with some general understanding of what is being planned, the Committee has drafted a rough categorization of national intelligence. Probably few intelligence products actually adhere rigidly to any of these categories. Many intelligence products undoubtedly contain some elements of all these categories. The abstraction is useful, however, in indicating the main emphasis that should be observed in intelligence products falling roughly into one or the other of these categories.

A CATEGORIZATION OF NATIONAL INTELLIGENCE
PRODUCTION BY TYPES

Categories	Functional Sub-categories	Types of Intelligence Product
A. Basic Intelligence	(None)	Compendium of organized information on any given area or subject; a basis for the formulation of intelligence reports and estimates
B. Reportorial Intelligence	1. Descriptive	Summary description of new event, situation, or trend
	2. Reportorial-Analytic	Preliminary ("spot") analysis of reported new event, situation, or trend
C. Estimative Intelligence	1. Analytic-Synthetic	Summary analysis or synthesis of one or more situations or trends and their present bearing on US security
	2. Predictive	<u>Contingent prediction of future situations or trends and estimates of future bearing on US security</u>

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SECTION II

Intelligence Planning

A. Principles.

1. Within the general framework of the intelligence categories presented in Section I, the Committee drafted the following statement of the basic principles underlying the process of planning the production of national intelligence.

X 2. A plan is the reflection of the latest judgment of intelligence producers as to what substantive matters are of major concern to US national security and the appropriate ways of producing and disseminating such intelligence.

3. This judgment about substantive matters of major concern should reflect:

a. As much knowledge as possible of what policy-makers are in fact concerned with.

b. As much knowledge as possible of events, situations, or trends in world affairs that have or may have a bearing on US security.

X B. Basis of the Plan.

1. As the first step in formulating a national intelligence production plan, the Committee agreed that one way to describe those matters of major concern to US security is in terms of "power situations." Such a list would be relatively stable, and would provide a basis and a guide for examining foreign situations systematically.

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a. These substantive matters of major concern to US security are international "power situations," trends toward them, their precise nature or character, and their consequences. Power-situations are those political, military, economic, ideological, and other situations that affect the ability of the US to promote or defend its interests.

b. Power-situations encompass several basic factors:

(1) Power Status and Potential.

- (a) Military.
- (b) Economic.
- (c) Political.
- (d) Ideological.
- (e) Other.

(2) Intentions of Leadership (wielders of power; i.e., officials, organized pressure groups, mass attitudes, et al.):

- (a) Concerning maintenance and development of power.
- (b) Concerning employment of power.

(3) Stability of Leadership.

- (a) Institutional.
- (b) Ideological.

c. These power situations may:

- (1) Presently exist.
- (2) Promise to materialize in the future.

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d. Power-situations or factors in power-situations may be examined by analyzing:

(1) Present Situation.

- (a) Its nature.
- (b) Its consequences.

(2) A Future Situation.

- (a) Its probability.
- (b) Its nature.
- (c) Its consequences.

e. Power-situations or factors in them must be defined in terms of some specific power-grouping (political, regional, or ideological) or some specific component thereof.

2. Having described in general terms those matters of major concern to US security, the Committee agreed that the next step in an intelligence production plan is to list the major power-groupings affecting US security and to assign priority ratings to the different groupings. Such a listing must be reviewed, if not necessarily revised, at regular intervals. This listing would provide a further guide to the relative importance of intelligence on any given situation. Below is a sample listing.

Major Power-Groupings Affecting US Security (with Priority#)

(Regional)

(Institutional-Ideological)

- (1) The USSR (incl. EE Satellites)
- (2) China

- (1) International Communism

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- (2) Central Europe Border Area
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Austria
Finland

(2) The OEEC
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- (2) Western Europe (continental)

- (3) East Asia Border Area
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Korea
Southeast Asia Peninsula

- (3) Balkan & Near East Border Area

- (3) Non-Communist Asiatic Crescent

Indian Subcontinent
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Philippines

- (4) Rear Area Near East (including
Egypt)

- (4) Islam

- (4) Africa (excluding Egypt)

- (4) Organization of
American States

- (4) Western Hemisphere and Miscel-
laneous Atlantic and Pacific
Areas

3. In establishing priorities and defining fields of study, as well as in judging individual projects, some criteria should be developed in practice by which to judge the relative importance to US security as well as the urgency of proposed projects. These

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criteria would be derived from the attempt to answer such questions as these:

- a. Does the project analyze and/or estimate the effects of an existing event, situation, or development upon US security?
- b. Does the project appraise the effects on US security of various lines of action the US might take in a particular situation?
- c. Does the project shed light on the capabilities and probable courses of action of foreign countries, groups, or individuals or combinations thereof that might affect US security?
- d. Does the project forecast an event, situation, or development that will have repercussions on US security?
- e. Does the project provide background information essential to the understanding or evaluation of a foreign event, situation, or development affecting US security interests, and is this material not available elsewhere?

C. Project List.

The end product of planning is a list of specific projects with a schedule for their production. This list would reflect the latest judgment of intelligence producers and consumers (guided by the listings in paragraphs A. and B.) as to what substantive matters are of major concern to US national security. The list would be divided into two parts--Major Fields of Study, and Specific Projects (with completion dates). The first part would be under constant review but would not

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necessarily change often. The second part would be changing constantly. A sample list is presented at the end of this section.

D. Application of the Plan.

The Committee recognized that the above plan applies primarily to estimative intelligence (see chart in Section I). Planning in such specific terms cannot be done for reportorial intelligence. The priority guides in Paragraph B. above and the list referred to in Paragraph C., however, will serve as a basis for determining the subject matter of reportorial intelligence. Moreover, the priorities governing the production of basic intelligence should be assigned and reviewed in the light of Paragraphs B. and C.

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Sample Schedule of Projects (1 March 1950)

Major Fields of Study

Projects (With completion dates)

Global Situations Affecting US Security

Review of World Situation as it Relates to US Security
Effectiveness of US Export Controls
Petroleum Sabotage
Effects of Soviet Atomic Capabilities

Soviet (EE Satellite) Capabilities for open war

Soviet intentions with respect to open war

Soviet economic power potential

Soviet Capabilities and Intentions:
Probability of War 1951-1954

USSR Petroleum Industry

Soviet-Satellite Shipbuilding

? - Possibility of Soviet Troop Withdrawal from E. Germany in 1950

? - Succession of Power in USSR

Strategy, Tactics, and Current Activities of International Communism

Theory and Practice of Communist Subversion

Crisis in Indochina

Soviet Objectives in FE Border Areas

Chinese Power Potential and Alignment

Consequences of US Recognition of Communist China

Developments in Taiwan

Food Outlook in Communist China

Civil Aviation in China

Vulnerability of China to Pressures

Alignments and Effectiveness of UN

Soviet Role in the UN

UN in Relation to US Security

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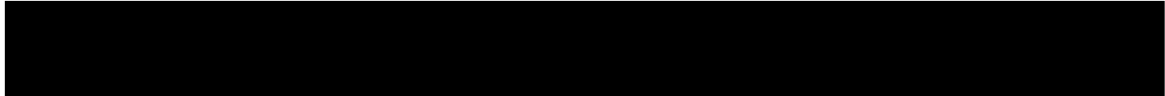
Relative Resources East-West

Labor Blocs

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Military Power-Potential of NATO	Problems in Implementing Atlantic
Economic Program of the OEEC	Pact
Power-Potential and Alignment of	
Scandinavia	
Western European Leadership:	French Labor Unrest
European Regionalism	Consequences of Change in French
Alignment of Western European	Government
nations	
Stability of Leadership of Western	
Europe	
Economic power-potential,	Economic "Integration" of West-
W. Europe	ern Europe
Alignment of European "neutrals"	
Alignment of the small states of	Situation in Finland
European border areas	

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Power Potential and Alignment of:	
The Region of the Non-Communist	South Asiatic Regionalism
Crescent in Asia	
Indian Subcontinent	Communist Penetration of India
	and Pakistan
Indonesia	European Consequences of Independ-
	ence of Indonesia
Southeast Asia Peninsula	Civil Aviation, SEA
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	Rubber Production in SE Asia
Yugoslavia	Yugoslav-Soviet Relations
Greece-Turkey-Iran	Situation in Greece
	Suppression of Communism in
	Turkey



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Power-Potential of Rear Area
Near East

Power-potential of Emergent
African Dependencies

Power-potential and alignments of
Latin America

Communist Penetration of Arab
States

Communist Infiltration of Central
America

Civil Aviation in Latin America

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SECTION III

Proposed Media for Execution of Intelligence Production Plan

A. The following general types of media of dissemination are presented as appropriate for intelligence produced under the national intelligence plan. The committee does not consider herein the question of allocation of responsibility for these media of dissemination among the IAC agencies ^{not} the suitability of ORE's present specific media of dissemination.

B. Basic Intelligence.

The committee accepts in general the NIS production program as presently planned and executed, but recommends that the need for it and other types of basic intelligence be examined periodically and correlated with other kinds of intelligence production.

C. Reportorial Intelligence.

In determining the media for the dissemination of intelligence of this category--namely, summary descriptions and preliminary analyses of new events, situations or trends in world affairs---the production plan will recognize that policy-makers need to be informed quickly and that such media cannot treat intelligence exhaustively, and must therefore contain brief analyses supported by a minimum of factual detail. The committee believes that the following media would meet the requirements of the plan with respect to the production of reportorial intelligence.

1. A Daily Report. Such a publication should present for the information of top-level members of the US Government a brief of the daily traffic of topmost significance to the security

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of the US. This brief should be accompanied whenever appropriate by short spot analyses or comments. Annexes to the Daily Report should be published whenever it is deemed necessary to present a more detailed factual account or brief estimate on a current development of major significance to US security.

2. A Weekly Report. Such a publication would provide for important policy-makers of the US Government an evaluative and analytical review of world-wide current developments and trends of importance to US security. Composition of the Weekly Report should be determined by the broad principles applying to production of all types of reportorial intelligence. In addition, items selected for a Weekly Report should as a rule be of general interest to US security rather than dealing solely with a specific matter or problem.

3. Special Memoranda. Provision should be made for the production of reportorial intelligence which does not lend itself readily to periodic treatment. Such intelligence, though bearing on US security, is of primary interest or concern to specialized agencies or individuals of the US Government.

D. Estimative Intelligence.

Intelligence of the analytic or estimative type, which is believed to be the primary mission of CIA, can generally be produced in the following types of publications:

1. National Intelligence Reports. These reports should be designed to provide intelligence support for the daily operations of US action and intelligence agencies and should be geared to the needs of those engaged in formulating and implementing specific policy or operations rather than of

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those planning for and making broad policy decisions. As such, they should emphasize:

(a) Factual, statistical, or technical information which relates to US security; or

(b) Information of common concern which is either available in its entirety only to CIA or not readily available in other form.

While maintaining this emphasis, they should contain sufficient interpretation and analysis to make the information readily understandable and usable to those who are not experts in the field in question. They may also contain factual or specific estimates of limited scope which follow logically from the presentation of such information.

2. National Intelligence Estimates. Addressing themselves to the attention of the President, the members of the NSC, and the high policy-planning levels of the US Government, these national intelligence estimates should deal with developments of major importance to US security. Such estimates should:

(a) Assess in a broad context the important aspects of situations and analyze their cumulative impact on US security;

(b) Make an unequivocal forecast of the maximum range consistent with the problem;

(c) Contain no more factual information than is required for support of the analysis and estimate.

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3. Review of World Situation. Such a publication, issued monthly, to coincide with NSC meetings and stressing developments of the past month, should present in a global context a brief review and estimate of situations that materially affect US security.

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SECTION IV

Machinery for Implementing the Intelligence Production Plan

A. The Committee firmly believes that the clear assignment of full responsibility in ORE under the AD/ORE is necessary if planning as recommended in the foregoing sections of this memorandum is to be successful. In other words, no production plan can be any more effective than the machinery for formulating and carrying it out.

B. This is true because intelligence planning is a continuous process of judgment. It involves substantive decisions about the importance to US security of specific kinds or pieces of intelligence. It is a dynamic process, an executive activity rather than an advisory or purely staff function. Any production plan to be effective must be continually revised and reviewed, must be kept up to date in terms of the changing situation. Somebody must see that it is properly implemented. Someone must maintain close and continuous liaison with the policy-makers to ascertain their intelligence needs. It was on the basis of this reasoning that the Committee concluded that adequate planning machinery must be an integral part of any worthwhile system of production planning.

C. The present lack of system and focus in ORE production is largely the result of the lack of centralization of the planning process. At present the existence of widely-varied production plans in some divisions, as well as the lack of them in other divisions, has led to production being undertaken on differing and frequently inconsistent grounds. It is not sufficient merely to add up individual division plans as if planning were a simple problem in arithmetic or a mechanical task of rearranging division contributions in a neat pattern. If ORE production is to be properly focussed, it must be planned

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centrally, on an ORE-wide basis, with the various division efforts properly integrated in a process of judgment as to global importance in terms of US security.

D. On the principle that planning is an integral part of intelligence production, substantively competent and experienced intelligence producers are required as full-time planners. While the EPB is composed of substantively competent chiefs of producing components, it is not a satisfactory instrument for the continuous day-to-day work of maintaining a production plan.

E. The Committee, therefore, recommends the establishment in ORE of a small administrative unit composed of substantively competent intelligence officers to be designated the intelligence planning unit. It should operate under the direct supervision of the AD/ORE and the general policy guidance of the EPB. Its chief should be a regular member of the EPB and have direct access to the AD/ORE and other members of the EPB. Its functions should be:

1. Maintain close and continuing liaison with the principal intelligence consumers as one method of ascertaining their intelligence needs.
2. Formulate, in consultation with the chiefs of producing components in ORE, a National Intelligence Production Plan drafted along the lines of the sample recommended in this memorandum.
3. Submit the current plan to the EPB for review and approval quarterly or oftener in event of basic recasting of the plan.

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4. Keep the plan under continuous review in the light of the needs of policy-makers, the intelligence produced in ORE, and the IAC agencies, and the capabilities of all producing components, making revisions as required within the general framework of the plan.

5. Conduct general review of intelligence production to determine that it meets the plan.

6. Participate in the coordination of the plan outside ORE and in the allocation of responsibilities under the plan.

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SECTION V

Additional Problems and Recommendations

In the course of its deliberations, the committee considered several subjects which have a bearing on planning intelligence production but which did not seem either to fall within the committee's terms of reference or to be within the capability of the committee to consider adequately. The committee, therefore, recommends that the EPB undertake studies to review the following subjects:

A. Allocation of Production Responsibility: Very broad interdepartmental allocations of intelligence production responsibility have been made in NSCID #3, such as:

Military - Department of the Army

Political, cultural, sociological - Department of State

National intelligence - CIA

CIA is responsible for national intelligence as a whole, while other agencies are responsible for contributions thereto (as well as for strictly departmental requirements). It follows, therefore, that CIA may indicate to the respective IAC agencies, under the broad NSCID allocations, those portions of their fields of responsibility (military, political, etc.) which require, at any given time, special productive effort to meet national intelligence needs. Such action by CIA would constitute inter-departmental allocation of production responsibility. Allocation could presumably proceed on the basis of the major fields of study listed as a sample in Section II, by assigning such fields of study to respective IAC agencies in accordance with their capability and competence. The committee submits this as one

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approach to the problem of allocation, while recommending that the whole matter be studied as an important corollary to the subject of national intelligence planning.

B. Services of Common Concern: The performance of services of common concern by ORE has an important bearing on the quantity and quality of ORE production, which is the essential ingredient of a national intelligence production plan. It is recommended that services of common concern be re-examined to determine the extent of their influence on the implementation of a production plan.

C. Media: Section III above describes in general terms the media considered appropriate to disseminate national intelligence. The committee does not believe that all these media need necessarily be produced by ORE. It should be noted, however, that only CIA is in a position to produce, as they are defined in Section III, a Daily Report, a Weekly Report, a Review of the World Situation, and National Intelligence Estimates. These four publications by their very nature transcend departmental responsibilities and can only be produced by a central intelligence agency. The committee recommends, however, that the EPB conduct a survey to determine:

1. Whether the Daily Summary and the Weekly Summary now being produced by ORE are adequate in scope and treatment.
2. What types of National Intelligence Reports ORE should produce.
3. What types of special memoranda ORE should produce.

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D. Intelligence Support for Other Offices in CIA: ORE is currently devoting a considerable effort to filling requests from other offices in CIA, particularly from OPC. Such requests, particularly if they increase, could interfere seriously with fulfillment of national intelligence as specified in the National Intelligence Production Plan. The committee therefore recommends that the EPB study these requests to determine the extent to which they interfere with the production of national intelligence.

E. Working Papers: Because the efforts now being devoted to the production of working papers may affect the production of national intelligence; because working papers are disseminated primarily to working levels in the IAC agencies and to other offices of CIA; because each division in ORE has adopted a different policy with regard to working papers; it is recommended that the EPB study the whole question of working papers with reference to their effect upon national intelligence production.

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TAB "B"

DISSENT FROM SECTION IV

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Dissent from Section IV

The minority feels that this committee's plan for the production of intelligence should not include supplementing organizational recommendations unless specifically requested. Accordingly, Section IV of the preceding report is considered unnecessary. However, in view of the majority's opinion that:

(a) Section IV proceeds irrevocably from Sections I, II, and III, and

(b) that Sections I, II, and III are of little value without IV, the minority submits the following comments on Section IV:

1. Inasmuch as a national intelligence production plan must include and interrelate not only the desires of consumers, but also the judgment of a fully representative group of the best qualified and informed intelligence officers, it follows that the initial responsibility for generating a plan as set forth in Sections I and II must be vested in the chiefs of the producing divisions of the Office of Reports and Estimates as individuals. A plan stemming from any group less representative or less individually expert than the chiefs of producing divisions would be considered inadequate by this minority.

2. It is believed that a proper function of the Estimates Production Board is to insure that the several recommendations for production drawn up by its members in their respective fields be correlated and integrated into a consistent and balanced national intelligence production plan. For these purposes the Estimates Production Board should be assisted by a staff charged with assembling the draft of a composite national intelligence production plan for its (Estimates Production Board) consideration. A staff with this and related

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responsibilities has been provided for under the terms of
ORE Operating Procedure No. 29, dated 28 February 1949.
This minority therefore sees no necessity for creating an
additional unit in the Office of Reports and Estimates to
perform a planning function.

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